

1 whereby they needed additional information, it may not
2 be.

3 Q Would the detail provided to the ALEC indicate
4 how many originating access minutes went to WorldCom,
5 how many originating access minutes went to MCI, how
6 many originating minutes went to AT&T, how many minutes
7 were local in nature, or would it simply be an aggregate
8 number?

9 A It would be an aggregate number typically, if
10 that's all they purchased.

11 Q So if I were to ask you then, would BellSouth
12 provide the billing detail necessary to identify the
13 long distance carriers and the number of minutes of
14 originating access that went to each, the answer is, no,
15 you would not be providing that level of detail to the
16 ALEC?

17 A I didn't say that, sir. I said we would be
18 providing the level of detail I just explained. Whether
19 that's adequate or not for the ABC Company is up to them
20 and the other carriers. Again, if they required some
21 additional detail that we may have, they could certainly
22 come and ask us for it. I can't guess what they may
23 need, though. I can only bill my rate structure.

24 Q Let's assume, Mr. Scheye, that they would need
25 the same information to bill the long distance carrier

1 that BellSouth would need to bill the long distance
2 carrier.

3 A Then they would have to come and discuss that,
4 negotiate that with BellSouth in a similar manner as
5 interexchange carriers do today for information that we
6 provide them for their own rating of comparable type
7 calls.

8 (Transcript continues in sequence in
9 Volume 5.)

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1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2

3 In re: Consideration of) Docket No. 960786-TL
4 BellSouth Telecommunications,)
5 Inc.'s entry into interLATA)
6 services pursuant to Section 271)
7 of the Federal)
8 Telecommunications Act of 1996.)
9 _____)

7

8 FOURTH DAY - AFTERNOON SESSION

9 VOLUME 16

10 Pages 1699 through 1754

11

12 PROCEEDINGS: HEARING

13

14 BEFORE: JULIA L. JOHNSON, CHAIRMAN
15 SUSAN F. CLARK, COMMISSIONER
16 J. TERRY DEASON, COMMISSIONER
17 DIANE K. KIESLING, COMMISSIONER
18 JOE GARCIA, COMMISSIONER

15

16 DATE: Friday, September 5, 1997

17

18 TIME: Commenced at 9:00 a.m.

19

20 PLACE: Betty Easley Conference Center
21 Room 148
22 4075 Esplanade Way
23 Tallahassee, Florida

24

25 REPORTED BY: Lisa Girod Jones, RPR, RMR

26 APPEARANCES:

27 (As heretofore noted.)

28

29

30

1 I N D E X

2 WITNESSES

3 NAME PAGE NO.

4 ROBERT C. SCHEYE

5 Cross Examination by Ms. Kaufman 1706

Cross Examination by Ms. Wilson 1719

6 Cross Examination by Mr. Melson 1720

Cross Examination by Mr. Tye 1724

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1 access minutes to the various interexchange carriers
2 whose calls he terminated.

3 A Yes, presumably.

4 Q Now, is BellSouth capable of providing to that
5 ALEC the call detail that's going to show him the number
6 of terminating minutes for each of these interexchange
7 carriers to whom he needs to bill terminating access?

8 A Yes.

9 Q How are they going to provide that
10 information? How is BellSouth going to provide that
11 information?

12 A Well, it's -- the recording itself would
13 appear to be the same type of recording we make for an
14 access charge call today. So the recording capability
15 is built into the switch. And therefore if the carrier
16 wishes that level of call detail, presumably they could
17 come to BellSouth and request that level of call detail.

18 Q Okay, I just want the record to be clear,
19 Mr. Scheye, what you're telling us today is that
20 BellSouth is prepared to provide to the ALEC that level
21 of call detail that will allow the ALEC to bill each of
22 the interexchange carriers for terminating access?

23 A Yes, we do it today. We have that data
24 available. If a carrier wishes to come to BellSouth and
25 purchase that data, they can do so.

1 Q You said that the ALEC can come to BellSouth
2 and purchase that data. What do you mean by that?

3 A What does the word "purchase" mean or the
4 "data"?

5 Q No, I'm saying -- you're saying that that
6 information is not going to be included when they buy
7 the local switching capability?

8 A They wouldn't be typically, because the local
9 switching rate structure that's currently in effect in
10 the State of Florida, under the statement and under the
11 agreements we have with AT&T or MCI, charge only for an
12 originating minute of use. So there would not be any
13 terminating charge, per se, to the ALEC for terminating
14 minutes. So I would have nothing to record.

15 Q Mr. Scheye, we're again talking about how this
16 ALEC that has purchased the unbundled switch from you is
17 going to bill the other interexchange carriers. And
18 he's going to need to know the number of terminating
19 minutes for each of the different interexchange carriers
20 in order to render that bill; isn't that correct?

21 A I would assume so, yes.

22 Q And is it your testimony today that BellSouth
23 is capable and willing to provide that level of detail
24 to the new entrant so that he can produce access bills
25 and send them out to his access customers?

1 A I believe that's what I said, yes.

2 COMMISSIONER DEASON: While they're
3 conferring. But you also indicated that that is not
4 part of the price of the unbundled element local
5 switching.

6 WITNESS SCHEYE: That's correct, Commissioner.

7 COMMISSIONER DEASON: And if they want that
8 level of detail they have to make an arrangement with
9 you to acquire that level of detail, and I assume there
10 will be -- or it's your testimony that there will be a
11 price to recover the cost of providing that detail.

12 WITNESS SCHEYE: That's exactly right,
13 Commissioner. Similar to the situation where a carrier
14 may buy billing data like that from us, in order to bill
15 long distance calls, for example. It's an analogous
16 situation. In this instance they want to buy some sort
17 of recorded information to bill access as opposed to
18 long distance, but it's very analogous to the situation
19 of them billing long distance on their own behalf.

20 COMMISSIONER DEASON: Now, when the price of
21 local switching was arbitrated, that was not part of the
22 arbitration?

23 WITNESS SCHEYE: It was not. Those kind of
24 costs for recording and providing that level of
25 information would not have been in those cost studies.

1 CHAIRMAN JOHNSON: Mr. Melson?

2 CROSS EXAMINATION

3 BY MR. MELSON:

4 Q Mr. Scheye, Rick Melson representing MCI. I
5 want to go back to the conversation you were having with
6 Ms. Kaufman and Commissioner Deason about unbundled
7 local switching. Are you familiar with the definition
8 of network element in the Telecommunications Act of
9 1996?

10 A Yes.

11 Q And does that -- is network element defined to
12 mean a facility or equipment used in the provision of
13 the telecommunications service?

14 A Yes, sounds like it.

15 Q Such term also includes features, functions
16 and capabilities that are provided by means of such
17 facility or equipment, including subscriber numbers,
18 databases, signaling systems and information sufficient
19 for billing and collection, or used in the transmission,
20 routing or other provision of the telecommunications
21 service?

22 A Yes.

23 Q Is recording -- is the recording of access
24 information a feature, function or capability of local
25 switching?

1 A I'm sorry, could you say it again?

2 Q Yes, is the recording of access usage data a
3 feature, function or capability of local switching?

4 A It can occur in the local switch. It doesn't
5 always occur in the local switch.

6 Q It always can occur in the local switch; is
7 that correct?

8 A I believe in all the BellSouth switches it
9 can, yes.

10 COMMISSIONER CLARK: Mr. Scheye, let me ask
11 for clarification of that. I thought he asked is it a
12 feature of local switching. And I took that to mean is
13 it a feature included in the term "local switching," as
14 opposed to where that function is performed.

15 WITNESS SCHEYE: And maybe I misunderstood his
16 question. I thought he said was it a function that
17 could occur in the local switch. And I said it does
18 occur there sometimes, and other times we do the
19 recording in the tandem. I did not recall his question
20 dealing specifically with the term "local switching,"
21 but I may have misunderstood his question.

22 MR. MELSON: I think Mr. Scheye and I may have
23 been on the same wavelength.

24 COMMISSIONER CLARK: But I wasn't. Oh, that's
25 good.

1 MR. MELSON: But let me try again, just so I'm
2 clear.

3 Q (By Mr. Melson) Unbundled local switching is
4 a network element under the definition in the Telecom
5 Act; is that correct?

6 A Yes, it is.

7 Q And it is a facility -- and that's because it
8 is a facility or equipment used in the provision of the
9 telecommunications service?

10 A Yes, it can.

11 Q And unbundled -- and that facility or
12 equipment also includes the feature, function or
13 capability of recording access usage; is that correct?

14 A The switch -- again, this is where we seem to
15 have the -- does the switch have that capability? Is
16 that what your question is?

17 Q Yes, sir.

18 A Yes, it does. The switch can record.

19 Q Okay, now let me ask you, does the unbundled
20 switching element have that capability?

21 A Yes.

22 Q And you would also agree with me the term
23 "features, function and capabilities" includes
24 information sufficient for billing and collection?

25 A Yes.

1 MR. MELSON: I think that's all I have.

2 COMMISSIONER CLARK: Mr. Melson, just so I'm
3 clear, when you use the term "facility," do you mean a
4 physical object, or do you mean the ability?

5 MR. MELSON: Unbundled local switching is a
6 network element, and it is the switch port and the
7 software in the switch that does the routing and the
8 software that does the recording. All of that, as I
9 understand it, is included in the definition of the
10 network element. And I believe Mr. Scheye has answered
11 my questions in a way that indicates --

12 COMMISSIONER CLARK: He agrees.

13 MR. MELSON: -- that he acknowledges that.

14 WITNESS SCHEYE: I think, just to clarify for
15 everyone's sake, since we seem to be going around on
16 this, the recorded information associated with local
17 switching of the unbundled network element would be the
18 adequate recording in order to bill and identify the
19 local switching element.

20 Now the State of Florida, the local switching
21 element has two elements to its rate structure. The
22 first minute has a price and each additional minute has
23 a price. So in order for BellSouth to accurately bill
24 local switching under the statement, for example, in the
25 State of Florida, we would bill a carrier X number of

1 company, wouldn't you want to have some actual
2 experience testing these agreements that you have with
3 other ILECs prior to implementing them?

4 A I may. Depends on what the services I plan to
5 purchase and the relationships. I'm fairly confident
6 that the incumbents that I plan to interconnect with can
7 render me accurate bills.

8 Q Particularly if they're BellSouth?

9 A They'll render the same bill to BellSouth BSE
10 as they will to AT&T. Let's hope they're all accurate.

11 Q You were also asked some questions about your
12 ability to render access usage in the switch. You
13 remember those questions Ms. Kaufman asked you?

14 A Yes.

15 Q And what you said -- what I understood you to
16 say was that a CLEC can get that usage but they have to
17 pay for it; is that correct?

18 A Yes.

19 Q Have you established a price for that?

20 A No, sir, no one has requested it yet.

21 Q What does BellSouth pay itself for that
22 information?

23 A BellSouth actually wouldn't need that level of
24 detail to render an access bill on its own behalf. So I
25 mean, it's internal to its own operations. It's

ATTACHMENT 7

1 BELLSOUTH TELECOMMUNICATIONS, INC.
2 REBUTTAL TESTIMONY OF W. KEITH MILNER
3 BEFORE THE NORTH CAROLINA UTILITIES COMMISSION
4 DOCKET NO. P-55, SUB 1022
5 September 15, 1997
6
7
8 Q. PLEASE STATE YOUR NAME, ADDRESS, AND POSITION WITH
9 BELLSOUTH TELECOMMUNICATIONS, INC.
10
11 A. My name is W. Keith Milner. My business address is 675 West
12 Peachtree Street, Atlanta, Georgia 30375. I am Director -
13 Interconnection Operations for BellSouth Telecommunications, Inc.
14 ("BellSouth" or "the Company"). I have served in my present role since
15 February 1996, and have been involved with the management of
16 certain issues related to local interconnection and unbundling.
17
18 Q. ARE YOU THE SAME KEITH MILNER WHO FILED DIRECT
19 TESTIMONY IN THIS PROCEEDING?
20
21 A. Yes.
22
23 Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY BEING
24 FILED TODAY?
25

1 regulatory requirements, MCI can seek appropriate relief from the
2 appropriate body. Interestingly, MCI has not sought such relief.

3

4 Q. ON PAGE 62 OF HIS DIRECT TESTIMONY, MR. MARTINEZ BEGINS
5 A DISCUSSION OF LOCAL INTERCONNECTION AT BELL SOUTH'S
6 LOCAL TANDEMS AND BELL SOUTH'S ACCESS TANDEMS AND
7 ASSERTS THAT BELL SOUTH HAS FAILED TO PROVIDE MCI THE
8 INTERCONNECTION IT SEEKS. IS HE CORRECT?

9

10 A. No. Mr. Martinez goes to great lengths to discuss problems MCI has
11 had in interconnecting with Southwestern Bell and Vista United.
12 Obviously, BellSouth cannot control the actions of these other local
13 service providers. BellSouth believes CLPs must work out their own
14 interconnection agreements with these other local service providers
15 because the CLPs will be using the networks of these other local
16 service providers to terminate their calls. BellSouth will provide tandem
17 switching once such agreements are in place. The simple "bottom line"
18 to this issue is that CLPs may interconnect at BellSouth's local tandems
19 or at BellSouth's access tandems, at the election of the CLP.

20

21 Q. ON PAGE 65 OF HIS DIRECT TESTIMONY, MR. MARTINEZ
22 OUTLINES THREE METHODS OF ACCESS WHICH HE BELIEVES
23 SHOULD BE AVAILABLE TO A CLP DESIRING TO ACCESS
24 BELL SOUTH'S TOLL FREE NUMBER DATABASE. PLEASE
25 RESPOND.

1

2 A. I will address each of the three options individually. The first option is
3 for access to the BellSouth toll free number database (which I will refer
4 to as the "800 database") from a CLP whose switches are not capable
5 of supporting Signaling System 7 (SS7) protocols. First of all, I am not
6 aware of any requests from CLPs for such access and I would be
7 surprised to hear of such a request given that the SS7 protocol has
8 been used extensively for many years and that most or all modern
9 switching systems are SS7 capable. However, should a CLP make
10 such a request, BellSouth would respond using the Bona Fide Request
11 process.

12

13 The second option is for a CLP whose switches are SS7 capable to
14 attach those switches to BellSouth's Signal Transfer Points (STPs) and
15 thence to the BellSouth 800 database. BellSouth offers such an
16 option, which in Section X of BellSouth's Statement of Generally
17 Available Terms and Conditions (SGAT) is referred to as the "A-Link"
18 option. Thus, despite Mr. Martinez's assertion, BellSouth does provide
19 this type interconnection.

20

21 The third option is for a CLP whose switches are SS7 capable to attach
22 those switches to a third party's STPs. These STPs would be attached
23 to BellSouth's STPs and thence to BellSouth's 800 database.

24 BellSouth offers this option as well, which in Section X of BellSouth's

25

ATTACHMENT 8

Fred McCallum Jr.
General Counsel - Georgia

BellSouth Telecommunications, Inc.
Legal Department - Suite 376
125 Perimeter Center West
Atlanta, Georgia 30346
Telephone: 770-391-2416
Facsimile: 770-391-2812

August 14, 1997

AUG 14 1997

Chairman Stan Wise
Georgia Public Service Commission
244 Washington Street
Atlanta, GA 30334

RE: Consideration of BellSouth Telecommunications, Inc.'s Services
Pursuant to Section 271 of the Telecommunications Act of 1996;
Docket No. 6863-U/7253-U

Dear Chairman Wise:

This purpose of this letter is to provide the Commission with further information with regard to the BellSouth letter that was discussed by Mr. Tamplin of AT&T in his summary and referred to by Mr. Adelman in his cross-examination of Mr. Scheye and Mr. Stacy in the recent hearings in these dockets. A copy of the letter sent to Mr. Tamplin is attached to this letter.

MCI clearly implied at the hearing that BellSouth is in violation of the MCI/BST interconnection agreement by virtue of sending the type of letter received by Mr. Tamplin. This is simply not correct. Paragraph 1.1.1.3 of Attachment VIII to the Agreement states that "BellSouth shall not use MCI's request for subscriber information, order submission, or any other aspect of MCI's processes or services to aid BellSouth's marketing or sales efforts." The letter at issue here is generated by the placement of a DISCONNECT order with BellSouth to terminate the customer's local residence service. MCI's request for subscriber information, order submission, or other processes or services are not utilized in this process at all. The disconnect order placed with BellSouth is not MCI's information. Rather, it is information that BellSouth, like any other local exchange carrier, will receive when a customer desires to terminate his or her service.

The form letter, which was sent only to residence customers, was originally intended to serve as a simple notification to the customer that their local service with BellSouth had been terminated. It was designed to protect the customer from being slammed.

Chairman Stan Wise
August 14, 1997
Page -2-

BellSouth clearly has the right to solicit customers who have disconnected BellSouth local service, and have gone to a competitor, in order to try to win back their business. This is the essence of competition. However, this particular letter was never intended to be a win-back letter. Since language reflecting our company's desire to continue serving the customer has been construed by MCI as "win back" language and that language appears in the letter, BellSouth discontinued sending these letters effective the first week of August, 1997.

In the future, BellSouth will in all likelihood send letters to customers who have disconnected their BellSouth service seeking to win back their business back. These letters will be sent after the disconnect order has been completed and the customer has been transferred to the CLEC. No CLEC ordering or other CLEC information has been or will be used by BellSouth to generate or process these letters.

I hope this clears up any concerns about this letter.

Very truly yours,



Fred McCallum Jr.

FMJ/lmh

cc: Chairman Stan Wise
Commissioner Mac Barber
Commissioner Bob Durden
Commissioner Robert B. Baker
Commissioner David N. Baker
Nancy G. Gibson
Tiane Somer
David Burgess
Dennis Sewell
Parties of Record

© BELLSOUTH

BellSouth Telecommunications
P.O. Box 100170
Columbia, SC 29202-3170

May 9, 1997
(770)352-9352

JAMES A TAMPLIN JR
445 HUNTERS CROSSING
DR NE
ATL GA 30328

Dear Customer:

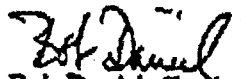
We recently received your request to switch your local phone service to another carrier. Although we are disappointed to lose you as a customer, be assured that we have already handled your request and you will shortly receive your final bill as confirmation.

If you were unaware that we received a request to switch your service, please notify us of the problem so that we can correct it. Call us any day, at any time, at 1-800-733-3285.

If you have elected to leave BellSouth, we'd like you to consider coming back. Please know that we are committed to providing the most advanced technology, the highest level of service and the best value for all of your communications needs. If you would like to resume BellSouth Service, or if you would like to hear more about what we have to offer, please call 1-800-733-3285.

We value you as a customer and look forward to serving you again in the near future.

Sincerely,



Bob Daniel, General Manager-Consumer Services

PARTIES OF RECORD
Docket No. 6863-U/7253-U

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ATTACHMENT 8A



BellSouth Telecommunications
P. O. Box 100170
Columbia, SC 29202-3170

April 23, 1997
(770)521-5445

**MARCEL HENRY
300 FAIRLEAF CT
ALPHARETTA GA 30202-4783**

Dear Customer:

We recently received your request to switch your local phone service to another carrier. Although we are disappointed to lose you as a customer, be assured that we have already handled your request and you will shortly receive your final bill as confirmation.

If you were unaware that we received a request to switch your service, please notify us of the problem so that we can correct it. Call us any day, at any time, at 1-800-733-3285.

If you have elected to leave BellSouth, we'd like you to consider coming back. Please know that we are committed to providing the most advanced technology, the highest level of service and the best value for all of your communications needs. If you would like to resume BellSouth Service, or if you would like to hear more about what we have to offer, please call 1-800-733-3285.

We value you as a customer and look forward to serving you again in the near future.

Sincerely,

A handwritten signature in cursive script that reads "Bob Daniel".

Bob Daniel, General Manager-Consumer Services

ATTACHMENT 9